

02

QUARTERLY REPORT

LICENSEE: ACE GAMING, LLC

FOR THE QUARTER ENDED MARCH 31, 2005

**TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY**

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 2005

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TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

BALANCE SHEETS

AS OF MARCH 31, 2005 AND 2004

(UNAUDITED)

(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2005 (c)	2004 (d)
	ASSETS		
	Current Assets:		
1	Cash and Cash Equivalents.....	\$ 14,928	\$ 15,584
2	Short-Term Investments.....	-	-
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2005, \$3,496; 2004, \$4,929).....	4,500	5,257
4	Inventories.....	2,715	2,114
5	Prepaid Expenses and Other Current Assets..... Note 5.....	7,172	4,001
6	Total Current Assets.....	29,315	26,956
7	Investments, Advances, and Receivables..... Note 7.....	11,830	10,875
8	Property and Equipment - Gross..... Note 6.....	218,618	211,544
9	Less: Accumulated Depreciation and Amortization..... Note 6.....	(50,381)	(43,528)
10	Property and Equipment - Net..... Note 6.....	168,237	168,016
11	Other Assets.....	1,667	1,623
12	Total Assets.....	\$ 211,049	\$ 207,470
	LIABILITIES AND EQUITY		
	Current Liabilities:		
13	Accounts Payable.....	\$ 6,068	\$ 4,300
14	Notes Payable.....	-	-
	Current Portion of Long-Term Debt:		
15	Due to Affiliates.....	-	-
16	Other.....	236	-
17	Income Taxes Payable and Accrued.....	191	166
18	Other Accrued Expenses..... Note 8.....	12,082	10,773
19	Other Current Liabilities..... Note 9.....	3,852	2,216
20	Total Current Liabilities.....	22,429	17,455
	Long-Term Debt:		
21	Due to Affiliates.....	3,475	136,000
22	Other.....	385	-
23	Deferred Credits.....	-	-
24	Other Liabilities..... Note 10.....	4,115	3,799
25	Commitments and Contingencies		
26	Total Liabilities.....	30,404	157,254
27	Stockholders', Partners', Or Proprietor's Equity.....	180,645	50,216
28	Total Liabilities and Equity.....	\$ 211,049	\$ 207,470

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO
STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

(UNAUDITED)

(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2005 (c)	2004 (d)
	Revenue:		
1	Casino.....	\$ 44,536	\$ 44,500
2	Rooms.....	2,294	2,288 *
3	Food and Beverage.....	4,866	4,990 *
4	Other.....	807	927 *
5	Total Revenue.....	52,503	52,705 *
6	Less: Promotional Allowances.....	12,538	11,715 *
7	Net Revenue.....	39,965	40,990 *
	Costs and Expenses:		
8	Cost of Goods and Services.....	27,772	29,349 *
9	Selling, General, and Administrative.....	9,103	6,621 *
10	Provision for Doubtful Accounts.....	129	146
11	Total Costs and Expenses.....	37,004	36,116 *
12	Gross Operating Profit.....	2,961	4,874
13	Depreciation and Amortization.....	4,026	3,705
	Charges from Affiliates Other than Interest:		
14	Management Fees.....	-	-
15	Other.....	-	-
16	Income (Loss) From Operations.....	(1,065)	1,169
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates	-	(2,997)
18	Interest (Expense) - External.....	(65)	(54)
19	Investment Alternative Tax and Related Income (Expense) - Net....	(238)	(368)
20	Nonoperating Income (Expense) - Net..... Note 11.....	87	(639)
21	Total Other Income (Expenses).....	(216)	(4,058)
22	Income (Loss) Before Income Taxes And Extraordinary Items.....	(1,281)	(2,889)
23	Provision (Credit) for Income Taxes.....	247	254
24	Income (Loss) Before Extraordinary Items.....	(1,528)	(3,143)
25	Extraordinary Items (Net of Income Taxes - 2005, \$ - ; 2004, \$ -).....	-	-
26	Net Income (Loss).....	\$ (1,528)	\$ (3,143)

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO
STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

(UNAUDITED)

NOT APPLICABLE

(\$ IN THOUSANDS)

LINE	DESCRIPTION	2005	2004
(a)	(b)	(c)	(d)
	Revenue:		
1	Casino.....	\$	\$
2	Rooms.....		
3	Food and Beverage.....		
4	Other.....		
5	Total Revenue.....		
6	Less: Promotional Allowances.....		
7	Net Revenue.....		
	Costs And Expenses:		
8	Cost of Goods and Services.....		
9	Selling, General, and Administrative.....		
10	Provision for Doubtful Accounts.....		
11	Total Costs and Expenses.....		
12	Gross Operating Profit.....		
13	Depreciation and Amortization.....		
	Charges from Affiliates Other than Interest:		
14	Management Fees.....		
15	Other.....		
16	Income (Loss) From Operations.....		
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates.....		
18	Interest (Expense) - External.....		
19	Investment Alternative Tax and Related Income (Expense) - Net...		
20	Nonoperating Income (Expense) - Net..... Note 18.....		
21	Total Other Income (Expenses).....		
22	Income (Loss) Before Income Taxes and Extraordinary Items.....		
23	Provision (Credit) for Income Taxes..... Note 4.....		
24	Income (Loss) Before Extraordinary Items.....		
25	Extraordinary Items (Net of Income Taxes - 2004, \$ - ; 2003, \$ -).....		
26	Net Income (Loss).....	\$	\$

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

Amended

6-28-05

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2004 AND THE THREE MONTHS ENDED MARCH 31, 2005

(UNAUDITED)

(\$ IN THOUSANDS)

AMENDED

LINE (a)	Description (b)	Common Stock		Preferred Stock		Additional Paid-In Capital (g)		Retained Earnings (Accumulated) (Deficit) (i)	Total Stockholders' Equity (Deficit) (j)
		Shares (c)	Amount (d)	Shares (e)	Amount (f)				
1	Balance, December 31, 2003	100	\$ --		\$	89,659	\$	(36,300)	\$ 53,359
2	Net Income (Loss) -							(7,936)	(7,936)
3	Contribution to Paid-in-Capital.....					142,013			142,013
4	Dividends.....								
5	Prior Period Adjustments.....								
6	Return of Paid-in-Capital					(2,796)			(2,796)
7	Cancelled Common Stock	(100)							
8	Single Member LLC								
9								
10	Balance, December 31, 2004.....	-	\$ --		\$	228,876		(44,236)	\$ 184,640
11	Net Income (Loss) - 2005.....							(1,528)	(1,528)
12	Contribution to Paid-in - Captial.....								
13	Dividends.....								
14	Prior Period Adjustments.....								
15	Return of Paid-in-Capital					(2,467)			(2,467)
16								
17								
18								
19	Balance, March 31, 2005.....	-	\$ --		\$	226,409	\$	(45,764)	\$ 180,645

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

CCC-220

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

**STATEMENTS OF CHANGES IN PARTNERS'
OR PROPRIETOR'S EQUITY**

FOR THE THREE MONTHS ENDED MARCH 31, 2005

(UNAUDITED)

(\$ IN THOUSANDS)

NOT APPLICABLE

LINE (a)	DESCRIPTION	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	NOT APPLICABLE	
				(e)	Total Equity (Deficit) (f)
1	Balance, December 31, _____	\$	\$	\$	\$
2	Net Income (Loss) - _____				
3	Capital Contributions.....				
4	Capital Withdrawals.....				
5	Partnership Distributions.....				
6	Prior Period Adjustments.....				
7	_____				
8	_____				
9	_____				
10	Balance, December 31, _____				
11	Net Income (Loss) - _____				
12	Capital Contributions.....				
13	Capital Withdrawals.....				
14	Partnership Distributions.....				
15	Prior Period Adjustments.....				
16	_____				
17	_____				
18	_____				
19	Balance, _____, _____	\$	\$	\$	\$

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO
STATEMENTS OF CASH FLOWS
 FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

(UNAUDITED)

(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2005 (c)	2004 (d)
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$ 2,294	\$ (2,784)
	CASH FLOWS FROM INVESTING ACTIVITIES:		
2	Purchase of Short-Term Investment Securities.....	-	-
3	Proceeds from the Sale of Short-Term Investment Securities.....	132	-
4	Cash Outflows for Property and Equipment.....	(571)	(2,118)
5	Proceeds from Disposition of Property and Equipment.....	4	0
6	Purchase of Casino Reinvestment Obligations.....	(553)	(508)
7	Purchase of Other Investments and Loans/Advances made.....	-	-
8	Proceeds from Disposal of Investments and Collection of Advances and Long-Term Receivables.....		(9)
9	Cash Outflows to Acquire Business Entities (net of cash acquired).	-	-
10			
11			
12	Net Cash Provided (Used) By Investing Activities.....	(988)	(2,635)
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	Cash Proceeds from Issuance of Short-Term Debt.....	-	5,500
14	Payments to Settle Short-Term Debt.....	(141)	(1,400)
15	Cash Proceeds from Issuance of Long-Term Debt.....	-	-
16	Costs of Issuing Debt.....	-	-
17	Payments to Settle Long-Term Debt.....	-	-
18	Cash Proceeds from Issuing Stock or Capital Contributions.....	(2,467)	-
19	Purchases of Treasury Stock.....	-	-
20	Payments of Dividends or Capital Withdrawals.....	3,475	-
21			
22			
23	Net Cash Provided (Used) By Financing Activities.....	867	4,100
24	Net Increase (Decrease) In Cash And Cash Equivalents.....	2,173	(1,319)
25	Cash And Cash Equivalents At Beginning Of Period.....	12,755	16,903
26	Cash And Cash Equivalents At End Of Period.....	\$ 14,928	\$ 15,584

	CASH PAID DURING PERIOD FOR:		
27	Interest (Net of Amount Capitalized).....	\$ 13	\$ 6,050
28	Income Taxes.....	\$ 88	\$ 88

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO
STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

(UNAUDITED)

Amended

6-28-05

(\$ IN THOUSANDS)

AMENDED

LINE (a)	DESCRIPTION (b)	2005 (c)	2004 (d)
	NET CASH FLOWS FROM OPERATING ACTIVITIES:		
29	Net Income (Loss).....	\$ (1,528)	\$ (3,143)
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment....	3,974	3,514
31	Amortization of Other Assets.....	52	191
32	Amortization of Debt Discount or Premium.....	-	-
33	Deferred Income Taxes - Current.....	-	-
34	Deferred Income Taxes - Noncurrent.....	-	-
35	(Gain) Loss on Disposition of Property and Equipment.....	(4)	0
36	(Gain) Loss on Casino Reinvestment Obligations.....	237	368
37	(Gain) Loss from Other Investment Activities.....	-	-
	Net (Increase) Decrease in Receivables and Patrons'		
38	Checks.....	975	52
39	Net (Increase) Decrease in Inventories.....	(216)	117
40	Net (Increase) Decrease in Other Current Assets.....	(2,131)	705
41	Net (Increase) Decrease in Other Assets.....	(17)	-
42	Net Increase (Decrease) in Accounts Payable.....	(1,013)	(2,515)
	Net Increase (Decrease) in Other Current Liabilities		
43	Excluding Debt.....	1,901	(2,163)
	Net Increase (Decrease) in Other Noncurrent Liabilities		
44	Excluding Debt.....	64	90
45			
46			
47	Net Cash Provided (Used) By Operating Activities.....	\$ 2,294	\$ (2,784)

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:		
48	Additions to Property and Equipment.....	\$ 571	\$ 2,118
49	Less: Capital Lease Obligations Incurred.....	-	-
50	Cash Outflows For Property And Equipment.....	\$ 571	\$ 2,118
	ACQUISITION OF BUSINESS ENTITIES:		
51	Property and Equipment Acquired.....	\$	\$
52	Goodwill Acquired.....		
	Net Assets Acquired Other than Cash, Goodwill, and		
53	Property and Equipment.....		
54	Long-Term Debt Assumed.....		
55	Issuance of Stock or Capital Invested.....		
56	Cash Outflows To Acquire Business Entities.....	\$ -	\$ -
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:		
57	Total Issuances of Stock or Capital Contributions.....	\$ -	\$ -
58	Less: Issuances to Settle Long-Term Debt.....	-	-
59	Consideration in Acquisition of Business Entities.....	-	-
60	Cash Proceeds From Issuing Stock Or Capital Contributions.....	\$ 2,467	\$ -

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

**SCHEDULE OF PROMOTIONAL
EXPENSES AND ALLOWANCES**

(\$ IN THOUSANDS)

FOR THE THREE MONTHS ENDED MARCH 31, 2005

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	61,378	\$ 1,579		\$
2	Food	119,415	2,209		
3	Beverage	472,007	1,354		
4	Travel			456	237
5	Bus Program Cash	122,274	2,221		
6	Other Cash Complimentaries	70,101	4,974		
7	Entertainment	2,775	115		
8	Retail & Non-Cash Gifts			139,654	1,677
9	Parking			29,490	88
10	Other	9,972	86		
11	Total	857,922	\$ 12,538	169,600	\$ 2,002

FOR THE THREE MONTHS ENDED MARCH 31, 2005

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	61,378	\$ 1,579		\$
2	Food	119,415	2,209		
3	Beverage	472,007	1,354		
4	Travel			456	237
5	Bus Program Cash	122,274	2,221		
6	Other Cash Complimentaries	70,101	4,974		
7	Entertainment	2,775	115		
8	Retail & Non-Cash Gifts			139,654	1,677
9	Parking			29,490	88
10	Other	9,972	86		
11	Total	857,922	\$ 12,538	169,600	\$ 2,002

ACE GAMING, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) Organization, Business and Basis of Presentation

Atlantic Coast Entertainment Holdings, Inc. ("Atlantic Holdings" or the "Company") is a Delaware corporation formed in October 2003 and was a wholly-owned subsidiary of Greate Bay Hotel and Casino, Inc. ("GBHC") which was a wholly-owned subsidiary of GB Holdings, Inc. ("GB Holdings"). Until July 22, 2004, GBHC was the owner and operator of The Sands Hotel and Casino in Atlantic City, New Jersey ("The Sands"). ACE Gaming LLC ("ACE"), a New Jersey limited liability company and a wholly-owned subsidiary of Atlantic Holdings was formed in November 2003. ACE is a single member LLC with Atlantic Holdings as its sole member. In connection with a transaction which was consummated in July of 2004, substantially all of the assets of GB Holdings and certain subsidiaries (including The Sands) was transferred to Atlantic Holdings and subsequently to ACE. The condensed consolidated financial statements include the accounts of Atlantic Holdings and ACE.

All significant intercompany transactions and balances have been ~~eliminated~~ in consolidation. In management's opinion, all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the condensed consolidated financial position as of March 31, 2005 and the condensed consolidated results of operations for the three months ended March 31, 2005 and 2004 have been made. The results set forth in the condensed consolidated statement of operations for the three months ended March 31, 2005 are not necessarily indicative of the results to be expected for the full year.

The condensed consolidated financial statements were prepared following the requirements of the Securities and Exchange Commission ("SEC") for interim reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by GAAP (U.S. generally accepted accounting principles) can be condensed or omitted.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2004.

(2) Transactions with Related Parties

As of May 26, 2004, the Company has entered into an intercompany services arrangement with American Casino & Entertainment Properties LLC ("ACEP"), which is controlled by affiliates of Carl C. Icahn, whereby ACEP provides management and consulting services. The Company is billed based upon an allocation of salaries plus an overhead charge of 15% of the salary allocation plus reimbursement of reasonable out-of-pocket expenses. For the three months ended March 31, 2005, the Company was billed approximately \$136,000.

The Company has entered into an agreement with XO Communications, Inc., a long-distance phone carrier an entity affiliated with Mr. Icahn. Payments for such charges incurred for the three months ended March 31, 2005 and 2004 amounted to \$40,000 and \$56,000, respectively. The agreement is currently continuing on a monthly basis.

In connection with the transaction which was consummated in July of 2004, GB Holdings, Atlantic Holdings and ACE entered into a Contribution Agreement, pursuant to which, Atlantic Holdings paid approximately \$2.5 million to GB Holdings for the three months ended

ACE GAMING, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

March 31, 2005, of which approximately \$2.4 million was for interest on the 11% Notes due 2005 (the "GB Holdings 11% Notes") which were not previously exchanged for 3% Notes due 2008 (the "3% Notes"), issued by Atlantic Holdings and guaranteed by ACE. Additionally, the Company agreed to pay GB Holdings normal, ordinary course operating expenses (including legal and accounting costs, directors' and officers' insurance premiums, and fees for SEC filings) not to exceed in the aggregate \$250,000 in any twelve month period, subject to a number of conditions.

(3) Line of Credit

On November 12, 2004, the Company entered into a Loan and Security Agreement (the "Loan Agreement"), by and among Atlantic Holdings, as borrower, ACE, as guarantor, and Fortress Credit Corp., as lender, and certain related ancillary documents, pursuant to which, Fortress agreed to make available to Atlantic Holdings a senior secured revolving credit line providing for working capital loans of up to \$10 million (the "Loans"), to be used for working capital purposes in the operation of The Sands.

All Loans under the Loan Agreement are payable in full by no later than the day immediately prior to the one-year anniversary of the Loan Agreement, or any earlier date on which the Loans are required to be paid in full, by acceleration or otherwise, pursuant to the Loan Agreement.

The borrower and guarantor on the Loan Agreement are required to maintain certain financial covenants. As of March 31, 2005, the Company had borrowed \$4.0 million under the Loans and was in compliance with these covenants.

(4) Commitments and Contingencies

Legal Proceedings

Tax appeals challenging the amount of ACE's real property assessments for tax years 1996 through 2004 are pending before the New Jersey Tax Court. A trial in this matter commenced on May 3, 2005.

ACE GAMING, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(5) Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following:

	March 31,	
	2005	2004
Deposits - workers compensation	\$ 4,018,000	\$ -
Prepaid insurance	1,308,000	1,156,000
Prepaid real estate tax	742,000	-
Prepaid slot license fee	278,000	272,000
Prepaid Federal income taxes	-	1,359,000
Other current assets	826,000	1,214,000
	<u>\$ 7,172,000</u>	<u>\$ 4,001,000</u>

(6) Property and Equipment

Property and equipment consisted of the following:

	March 31,	
	2005	2004
Land	\$ 54,344,000	\$ 54,344,000
Buildings and improvements	88,148,000	88,261,000
Operating equipment	75,154,000	65,798,000
Construction in progress	972,000	3,141,000
	<u>218,618,000</u>	<u>211,544,000</u>
Less: accumulated depreciation and amortization	<u>(50,381,000)</u>	<u>(43,528,000)</u>
Net property and equipment	<u>\$ 168,237,000</u>	<u>\$ 168,016,000</u>

ACE GAMING, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Investments, Advances and Receivables

Investments, advances and receivables consists of the following:

	March 31,	
	2005	2004
Post 1983 investment, net	\$ 8,596,000	\$ 7,503,000
NJPB - MPMI investment, net	1,094,000	1,058,000
Vermont Plaza investment, net	468,000	468,000
Other	1,672,000	1,846,000
	<u>\$ 11,830,000</u>	<u>\$ 10,875,000</u>

(8) Other Accrued Expenses

Other accrued expenses consisted of the following:

	March 31,	
	2005	2004
Accrued wages	\$ 1,577,000	\$ 1,301,000
Accrued vacation	1,493,000	1,561,000
Major Medical - non-union	1,278,000	1,080,000
Other accrued expenses	7,734,000	6,831,000
	<u>\$ 12,082,000</u>	<u>\$ 10,773,000</u>

(9) Other Current Liabilities

Other current liabilities consisted of the following:

	March 31,	
	2005	2004
Workers compensation liability	\$ 1,110,000	\$ -
CRDA bonds payable	553,000	548,000
Unredeemed gaming chips	471,000	557,000
Other current liabilities	1,718,000	1,111,000
	<u>\$ 3,852,000</u>	<u>\$ 2,216,000</u>

ACE GAMING, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(10) Other Liabilities

Other liabilities consisted of the following:

	March 31,	
	2005	2004
CRDA - East Hall	\$ 3,469,000	\$ 3,304,000
Other liabilities	646,000	495,000
	<u>\$ 4,115,000</u>	<u>\$ 3,799,000</u>


(11) Nonoperating Income(Expense) – Net

Nonoperating income/expense – net is comprised of the following:

	March 31,	
	2005	2004
CRDA interest income	\$ 92,000	\$ 69,000
Interest income	15,000	2,000
Debt restructuring expense - professional fees	<u>(20,000)</u>	<u>(710,000)</u>
	<u>\$ 87,000</u>	<u>\$ (639,000)</u>

STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during the quarter.



Signature

Douglas S. Niethold
Vice President, Finance

Title

289271

License Number

On Behalf Of:

ACE Gaming, LLC

Casino Licensee